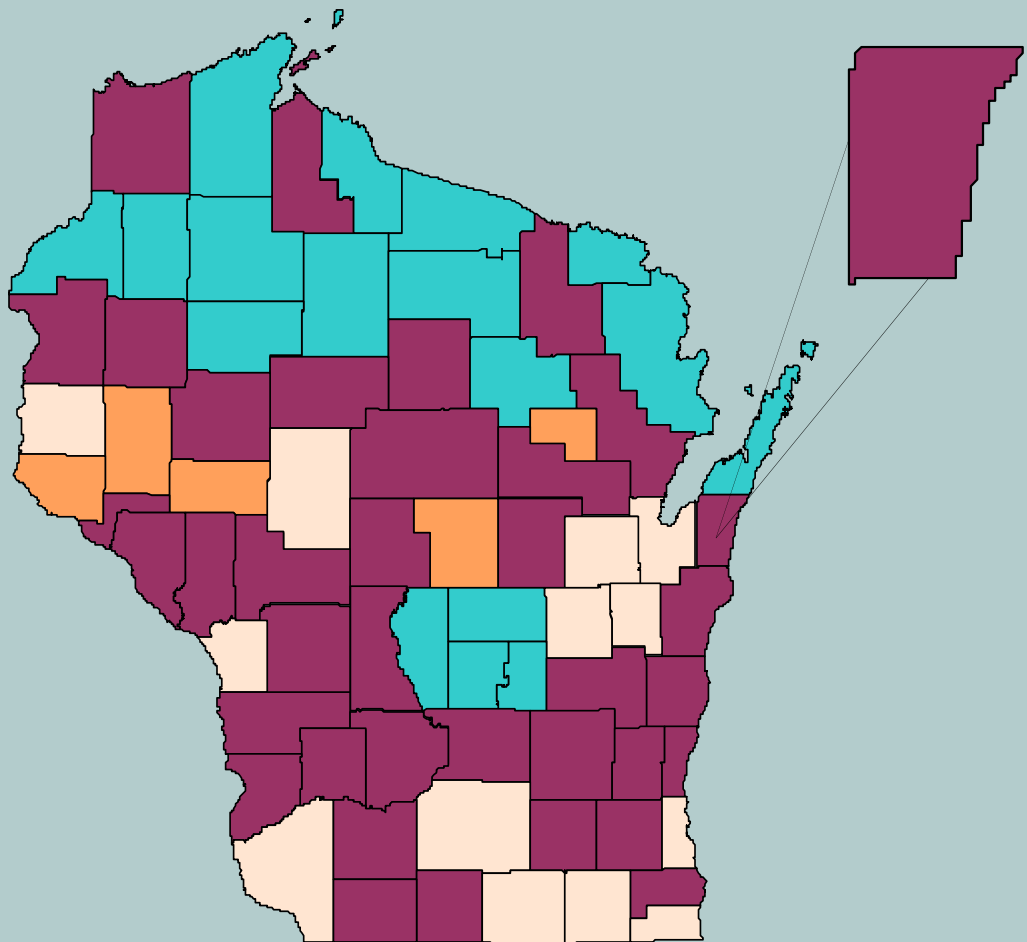


Kewaunee County Workforce Profile

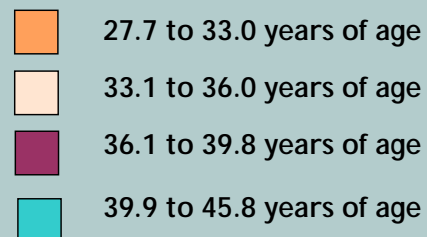
Median Age by County, 2000



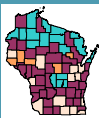
Your complete
guide to the
state of the
labor force of
today and a
glimpse into
the economy of
tomorrow.



State of Wisconsin
Department of Workforce Development
October 2002



Source: Census 2000 of the United States



County Population

In 2001, the population of Kewaunee County increased marginally, adding 125 residents for a 0.6% growth rate. Comparatively, both the state of Wisconsin and United States grew at a 0.7% annual rate, suggesting that the county is reasonably keeping pace with state and national growth patterns. However, when taking a longer perspective, the conclusion is somewhat misleading.

Over the course of the 1990's, Kewaunee County grew at a significantly slower pace than either the state or nation. Between 1990 and 2000, the county added just over 1,300 residents to its population for a decade growth rate of 6.9%. Again, comparatively the state and nation grew at faster rates, growing at an 8.5% and 8.7% rate, respectively. The slower growth rate experienced in Kewaunee County over the course of the past decade can be attributed to a number of factors, many of which will be explored throughout this publication.

One of the main factors contributing to the population growth experienced in Kewaunee County is a significant, but modest rate of migration into the county. In 2001, 99 new residents moved into the county from elsewhere. The remainder of the

population growth was caused by a natural increase in the area. In other words, the number of births (168) exceeded the number of deaths (142) in the county's population.

In examining the impact of migration on the county's population from a broader perspective, data from the 2000 census provides some useful information. Between 1995 and 2000, 34.3% of the population changed residences, either within the county or from outside the county. Of that thirty-four percent, 18.1% moved within Kewaunee County, 12.1% migrated to Kewaunee County from somewhere in Wisconsin, and 4.2% of the county's population lived somewhere else in the United States in 1995. While this distribution is relatively normal when compared to other counties in the state, the percentage of residents moving into the county from elsewhere in the state is relatively smaller, indicating that the effect of migration into Kewaunee County is not as great as in other counties.

Another aspect of the county that is effected by changes in population is the county's housing stock. Between 1990 and 2000, 1,211 new housing units

(Continued on page 2)

Total Population

| | 2000 Census | January 1, 2001 Estimate | Percent change |
|-----------------|-------------|-----------------------------|-------------------|
| United States | 281,421,906 | 283,474,000 | 0.7% |
| Wisconsin | 5,363,675 | 5,400,449 | 0.7% |
| Kewaunee County | 20,187 | 20,312 | 0.6% |

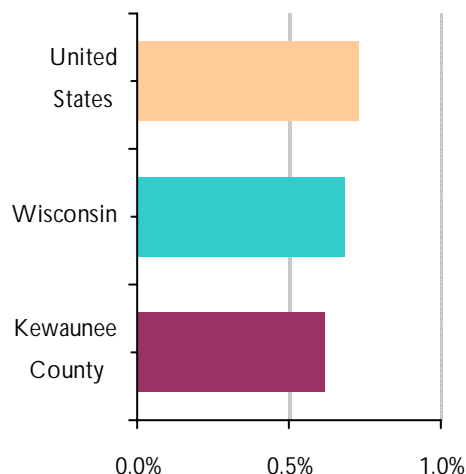
Ten Largest Municipalities

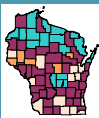
| | | | |
|---------------------|-------|-------|-------|
| Algoma, City | 3,357 | 3,351 | -0.2% |
| Kewaunee, City | 2,806 | 2,816 | 0.4% |
| Luxemburg, Village | 1,935 | 1,964 | 1.5% |
| Red River, Town | 1,476 | 1,495 | 1.3% |
| Luxemburg, Town | 1,402 | 1,417 | 1.1% |
| Montpelier, Town | 1,371 | 1,384 | 0.9% |
| West Kewaunee, Town | 1,287 | 1,299 | 0.9% |
| Casco, Town | 1,153 | 1,162 | 0.8% |
| Carlton, Town | 1,000 | 1,009 | 0.9% |
| Franklin, Town | 997 | 1,007 | 1.0% |

* Kewaunee portion only

Source: Wisconsin Department of Administration, Demographic Services, 2002

Population Growth 2000-2001



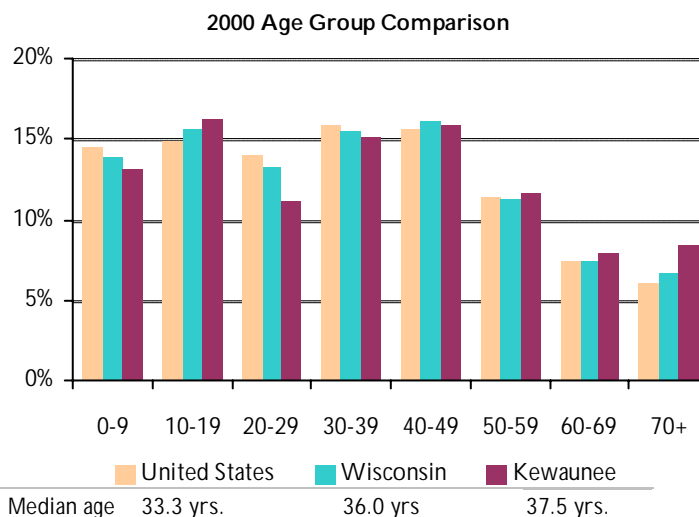


State of Wisconsin - Kewaunee County

were built in Kewaunee County, accounting for 14.7% of the county's housing stock. When comparing the total number of housing units in 2000 with the same count in 1990, both the number of uniquely new units (units constructed that did not replace units that were removed from the housing stock) and growth rate decreased significantly. The comparison of these totals yields only 677 units, or a growth rate of 9.0%. The remaining 5.7% reflects the degree of turnover that occurred in the county.

An analysis of population changes in the county's municipalities yields similar growth patterns as the county, as a whole. Among the ten largest municipalities, the Village of Luxemburg posted the largest growth rate among the county's municipalities, growing by 1.5%. The towns of Luxemburg, Montpelier, and Red River also experienced growth rates of at least 1.0%. Looking at growth over the past decade, the Village of Luxemburg and towns of Luxemburg and Casco posted the greatest growth, experiencing growth rates of 37.4%, 10.5%, and 11.1%, respectively.

Another interesting characteristic of the county's

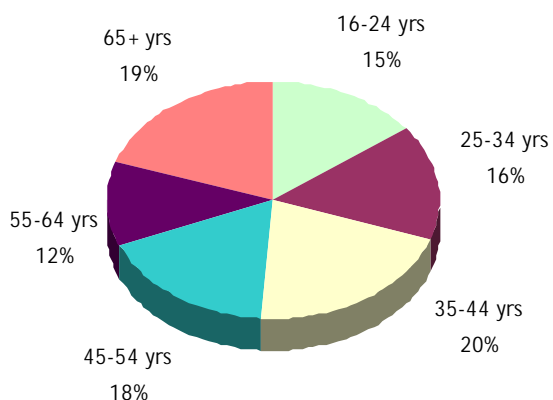


Source: US Department of Commerce, Census Bureau, *Census 2000*

population is the distribution of the population by various age cohorts, as illustrated above. In 2000, the median age of Kewaunee County's population was 37.5 years, which was significantly older than the state median of 36.0 years or the national median age of 33.3 years. The source of this relatively older population is a greater percentage of residents aged 60 and older in the county than either the nation or state. Conversely, the county's population has far fewer residents aged 20 to 29.

County Civilian Labor Force

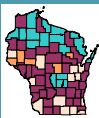
Kewaunee County Labor Force Age Groups



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

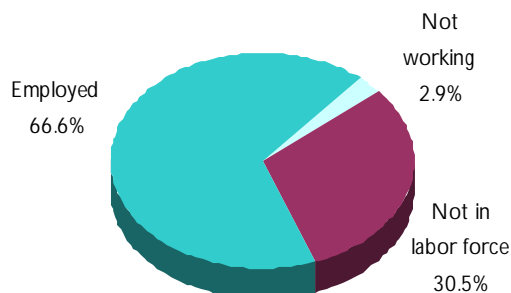
The discussion of the age distribution of the county's population provides a natural transition to a discussion of the variety of issues facing the Kewaunee County labor force. From an analysis of the distribution of the labor force eligible population, as illustrated below, a slight majority of the county's labor force eligible population (51%) is under the age of 45. The significance of this is seen when one considers future labor force patterns over the next twenty years. Assuming a relatively low level of job growth, the labor supply provided by the current 16 to 44 population will be sufficient to meet demand. However, given the low number of youth aged under 16 currently present in the county's population, and realizing that job growth over the course of the past decade has been signifi-

(Continued on page 3)



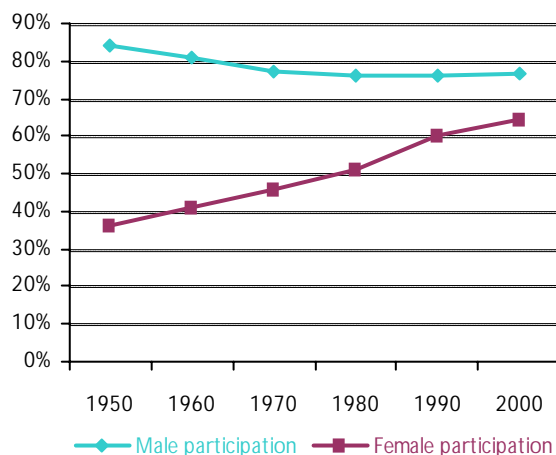
State of Wisconsin - Kewaunee County

2001 Labor Force Participation



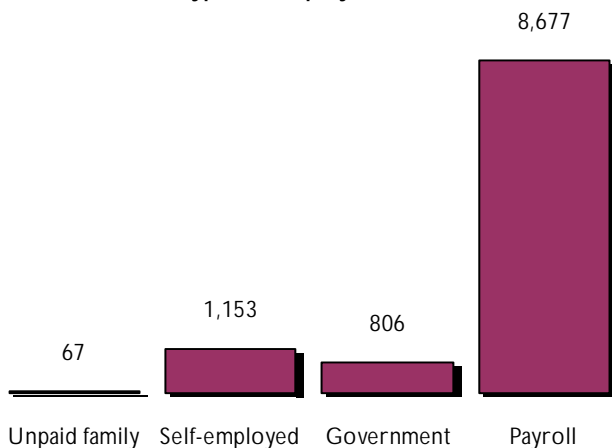
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Type of Employment



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

cant, it is perhaps more reasonable to assume that the prospects of a future labor shortage in the county are very realistic, and are sure to be the topic of conversation among employers and service providers in the years to come.

The labor force is the sum of those employed and unemployed *that have actively sought work in the last month*. A Labor Force eligible must be 16 years or older and not a member of an institutional population such as a prison or an armed forces member living on a military base. The term "unemployed" does not necessarily include all people who are not working. For example, those who are retired or choose not to work are not considered unemployed. The phrase "Not Working" in the graph below assumes unemployed for the purposes of this profile.

In 2001, the labor force participation rate of Kewaunee County was 69.5%. This represents an increase of 1.4% over 2000's rate. In comparison, the state labor force participation rate in 2001 was 73.5%, or 0.7% higher than 2000, and the national labor force participation rate was 66.9%, which was actually 0.3% lower than a year prior. The disparity between the rate of participation in the Kewaunee County labor force and statewide labor force is the result of a variety of factors. First, as has been discussed earlier in this profile, the Kewaunee County population contains a higher percentage of residents over the age of sixty. As these residents are much less likely to be active in the labor force than younger workers, this results in a relatively lower participation rate. Also, as will be discussed later in this presentation, average wage levels paid by employers in Kewaunee County are significantly lower than the state average. Therefore, there is less incentive for discouraged workers to enter the workforce after a period of separation. This, too contributes to a lower labor force participation rate.

Another interesting characteristic of the Kewaunee County labor force that can be examined using the labor force participation rate is the changing role of men and women in the workforce. Using data collected from the past five decennial censuses, the trend analysis to the left illustrates the change in the

(Continued on page 4)

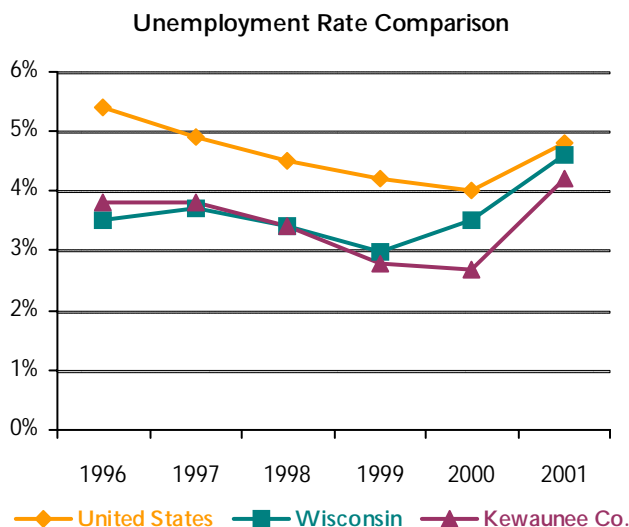


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male and female labor force participation rate between 1950 and 2000. Over the period from 1950 to 1990, the male labor force participation rate decreased modestly, dropping 5% between 1950 and 1970 primarily because of losses in the farming industry. Over the course of the thirty years between 1970 and 1990, the male labor force participation rate has remained relatively stable.

In stark contrast, the rate of female participation in the labor force has increased significantly over the past fifty years. While the social factors leading to the entry of more women into the workforce have been discussed in a variety of media, the growth over the past decade can be attributed to more economic factors.

In analyzing industry employment growth over the past five years, as will be discussed later in this profile, a number of service-oriented industries have experienced significant growth, while more traditional, male-dominated industries, such as manufacturing have grown more slowly. Also, as the increase in the labor force has surpassed employment growth in the county, a certain degree of "crowding

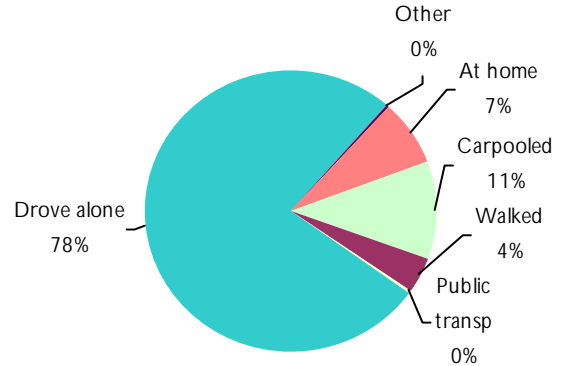


Kewaunee County Civilian Labor Force Data

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|-------------------|--------|--------|--------|--------|--------|--------|
| Labor Force | 10,500 | 10,600 | 11,000 | 10,400 | 10,500 | 10,900 |
| Employed | 10,100 | 10,200 | 10,600 | 10,100 | 10,200 | 10,400 |
| Unemployed | 400 | 400 | 370 | 290 | 290 | 460 |
| Unemployment Rate | 3.8% | 3.8% | 3.4% | 2.8% | 2.7% | 4.2% |

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002

County Travel-to-Work Patterns

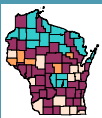


Source: US Dept. of Commerce, Census Bureau, *Census 2000*

out" has occurred as relatively equal levels of male and female candidates compete for a smaller number of openings.

Another characteristic of the Kewaunee County workforce that adds to the profile of the county's economy is the extent that the workforce commutes from home to work and the means of transportation they employ. From the distribution above, it is readily apparent that the automobile is the primary means of transportation in the county, with 89% of the county's population listing it as their means of traveling to work every day.

Shifting briefly from a discussion of the employed labor force to a discussion of the unemployed labor force, the trend analysis to the left illustrates the change in the Kewaunee County, state, and national annual average unemployment rate over the past five years. As can be seen in this analysis, the county's unemployment has fluctuated significantly, beginning the period at a level above the state average, and ending 2001 at an annual rate, 4.2% which was below both the state and national average. Indications suggest that this trend will continue.



County Industry Employment

Nonfarm Wage and Salary Employment

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | Percent change | |
|--|-------|-------|-------|-------|-------|-------|----------------|--------|
| | | | | | | | 1 year | 5 year |
| Total | 6,001 | 6,125 | 6,371 | 6,395 | 6,505 | 6,619 | 1.8% | 10.3% |
| Goods Producing | 2,549 | 2,617 | 2,642 | 2,642 | 2,655 | 2,673 | 0.7% | 4.8% |
| Construction & Mining | 460 | 494 | 502 | 539 | 536 | 519 | -3.2% | 12.8% |
| Manufacturing | 2,089 | 2,123 | 2,139 | 2,103 | 2,118 | 2,154 | 1.7% | 3.1% |
| Durable | 1,328 | 1,306 | 1,312 | 1,264 | 1,265 | 1,209 | -4.5% | -9.0% |
| Nondurable | 761 | 817 | 827 | 839 | 854 | 945 | 10.7% | 24.2% |
| Service Producing | 3,451 | 3,508 | 3,729 | 3,752 | 3,850 | 3,947 | 2.5% | 14.3% |
| Transportation, Communications & Utilities | 139 | 141 | 132 | 140 | 131 | 116 | -11.5% | -16.3% |
| Total Trade | 1,120 | 1,148 | 1,188 | 1,163 | 1,168 | 1,230 | 5.2% | 9.8% |
| Wholesale | 185 | 195 | 189 | 155 | 147 | 175 | 18.7% | -5.5% |
| Retail | 935 | 953 | 999 | 1,007 | 1,021 | 1,055 | 3.3% | 12.8% |
| Finance, Insurance, and Real Estate | 197 | 206 | 228 | 243 | 260 | 262 | 0.7% | 33.3% |
| Services & Misc. | 1,015 | 1,011 | 1,150 | 1,123 | 1,170 | 1,213 | 3.7% | 19.5% |
| Total Government | 982 | 1,002 | 1,031 | 1,084 | 1,120 | 1,126 | 0.5% | 14.7% |

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

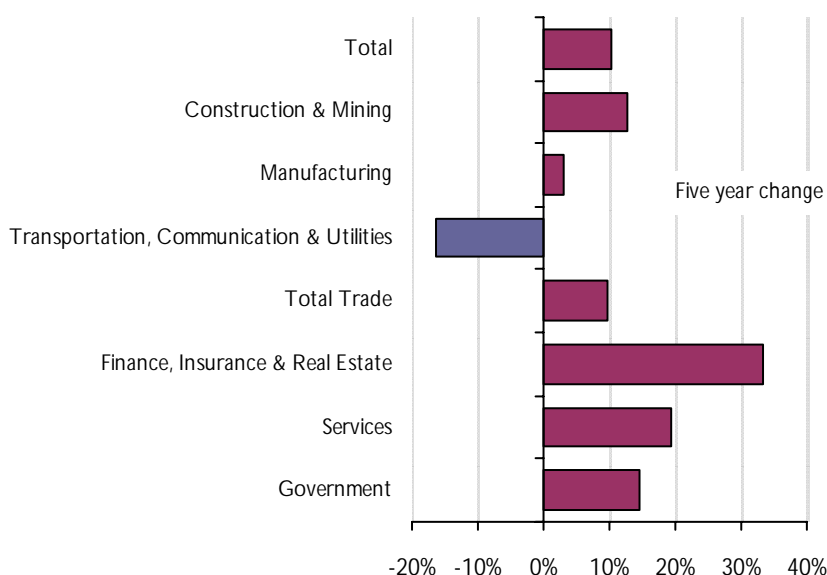
Looking again at the level of employment present in the Kewaunee County workforce, changes in industry employment over the course of the past year have varied significantly across the major industry sectors of the county. While numerical losses in industries were slight, percentage losses were more dramatic. Among the industries shedding the great-

est percentage of employment, transportation, communications, and utilities (-11.5%), durable goods manufacturing (-4.5%), and construction and mining (-3.2%) firms reported the greatest losses.

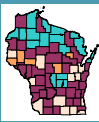
While these losses are significant, it is important to note that the remaining industry sectors in the county posted significant gains in 2001. This growth was led by growth in wholesale trade, which increased employment by 18.7%, and nondurable goods manufacturing, which grew at a 10.7% rate.

When looking at industry employment growth in retrospect, as illustrated in the five year analysis to the left, the relative health of the county's economy is again apparent. It is important to note here that, while the percentage loss in transportation, communications, and utilities is significant, the actual number of positions lost between 1996 and 2001 totaled just 23. Perhaps of more significance, durable goods manufacturing reported employment losses totaling 9.0%, or 119 positions. Growth in nondurable goods manufacturing more than offset this loss to net in total manufacturing growth.

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002



State of Wisconsin - Kewaunee County

Top 10 Employers

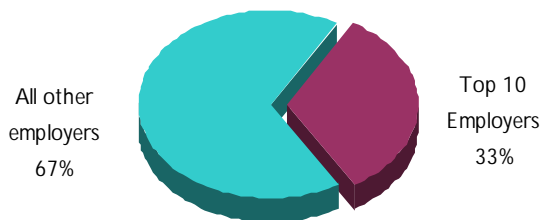
| Company | Product or Service | Size |
|-------------------------------|-------------------------------|---------|
| Wisconsin Label Corp. | Specialized Printing Services | 250-499 |
| Algoma Hardwoods Inc. | Wood/Plywood Products | 250-499 |
| Luxemburg-Casco Public School | Public School District | 250-499 |
| Kewaunee Fabrications LLC | Construction Machinery | 100-249 |
| Kewaunee School District | Public School District | 100-249 |
| County of Kewaunee | County Government Services | 100-249 |
| The Vollrath Co. LLC | Metal Stampings | 100-249 |
| N E W Plastics Corp. | Plastic Products | 100-249 |
| Olsonite Corp. | Wood Products | 100-249 |
| Floral Plant Growers LLC | Ornamental Nursery Products | 100-249 |

Top 10 Industry Groups

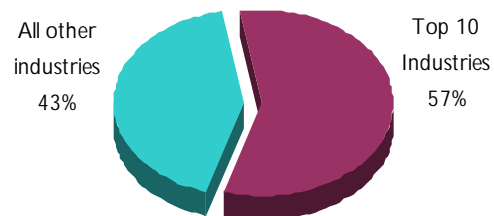
| Industry Group | March 2001 | | Numeric change | |
|------------------------------------|------------|-----------|----------------|--------|
| | Employers | Employees | 1-year | 5-year |
| Lumber and Wood Products | 10 | 666 | -43 | -51 |
| Printing and Publishing | 5 | 611 | 43 | * |
| Educational Services | * | * | * | * |
| Eating and Drinking Places | 35 | 394 | -1 | 61 |
| Industrial Machinery and Equipment | 5 | 328 | -2 | -14 |
| Health Services | 20 | 301 | -6 | -65 |
| Agricultural Production-Crops | * | * | * | * |
| Food Stores | 10 | 240 | 14 | 29 |
| Social Services | 14 | 230 | 12 | 111 |
| General Building Contractors | 21 | 221 | -18 | 42 |

*data suppressed to maintain confidentiality

Top 10 Employers' Share of
Nonfarm Employment



Top 10 Industry Group Share
of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

An analysis of the ten largest employers in Kewaunee County shows a return of a number of familiar names from 2000. The county economy's emphasis in lumber and forestry products is evident in the presence of Algoma Hardwoods and the Olsonite Corporation. An economic focus in traditional industries is further suggested in the presence of the Wisconsin Label Corporation, Kewaunee Fabrications, The Vollrath Corporation, and N.E.W. Plastic

Products. The importance of government employment, particularly in educational services is also reflected in this list as the Luxemburg-Casco and Kewaunee public school districts and Kewaunee County rank among the ten largest employers.

However, projecting future changes among these employers suggests that an emphasis in service-

(Continued on page 7)



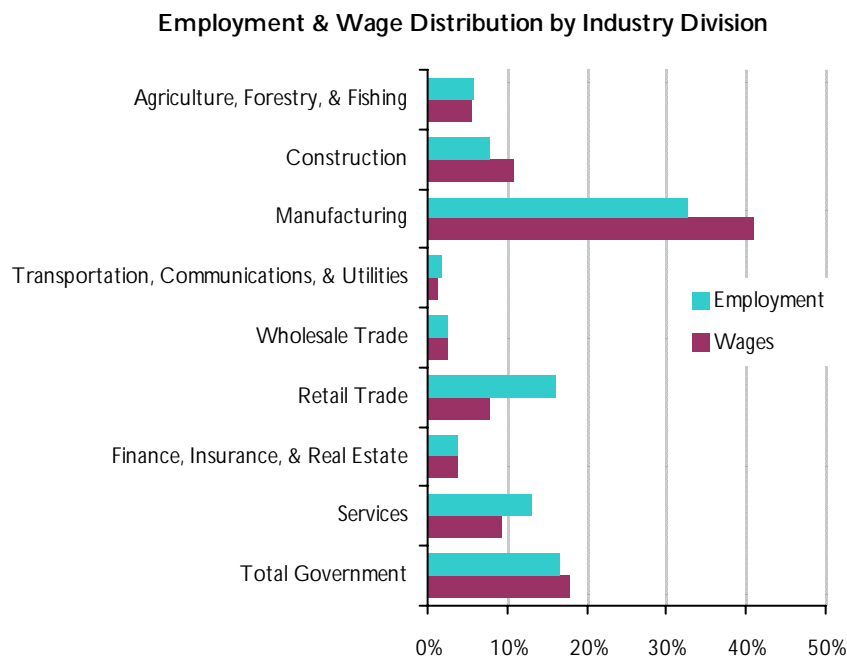
State of Wisconsin - Kewaunee County

related firms will begin to emerge as manufacturing employment has declined in the area. This decline was recently reflected in the closing of the Olsonite Corporation in the spring of 2002.

Among major industry sectors in the county, a more diverse listing of industries than in the largest employers list is found, owing perhaps to the concentration of large firms in a limited number of industries. The presence of the health services and social services sectors are particularly significant in

this listing, as growth is expected in these sectors, due to shifting demographic factors.

To illustrate the impact of both the largest employers and industry sectors on the Kewaunee County workforce, an analysis of employment figures from March, 2001 shows that one third of all workers employed in the county are employed by one of the ten largest firms, and 57% of all jobs in the county are among the ten largest industry sectors.



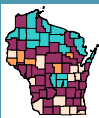
Another vital characteristic of the Kewaunee County economy with implications for the vitality of the county's workforce is the level of wages paid by employers in the county. In 2001, the average annual wage paid by employers in all industries in the county was \$25,501. This average was 17.5% less than the state's average wage of \$30,922. Furthermore, an analysis of wages in specific industry sectors shows varying levels of disparity and prosperity. Wages in the agriculture, forestry, and fishing industry pay wages above the state average. However, the greatest differential is seen in transportation, communications, and utilities, where average wages are 53.1% below the state average.

Annual Average Wage By Industry Division

| | Kewaunee Co. Annual Average Wage | Wisconsin Annual Average Wage | Percent of State Average | 1-year percent change | 5-year percent change |
|---|--|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| All Industries* | \$ 25,501 | \$ 30,922 | 82.5% | 2.4% | 25.4% |
| Agriculture, Forestry, & Fishing | \$ 25,010 | \$ 22,565 | 110.8% | 8.7% | 67.7% |
| Construction | \$ 34,640 | \$ 39,011 | 88.8% | 1.9% | 34.9% |
| Manufacturing | \$ 32,022 | \$ 39,739 | 80.6% | 1.1% | 25.6% |
| Transportation, Communications, & Utilities | \$ 17,327 | \$ 36,639 | 47.3% | 3.0% | 19.7% |
| Wholesale Trade | \$ 25,835 | \$ 40,521 | 63.8% | -4.1% | 28.0% |
| Retail Trade | \$ 12,517 | \$ 14,596 | 85.8% | 4.9% | 22.0% |
| Finance, Insurance, & Real estate | \$ 26,187 | \$ 40,933 | 64.0% | 3.6% | 26.6% |
| Services | \$ 18,190 | \$ 28,775 | 63.2% | 11.6% | 37.6% |
| Total Government | \$ 27,463 | \$ 33,785 | 81.3% | 2.1% | 19.1% |

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



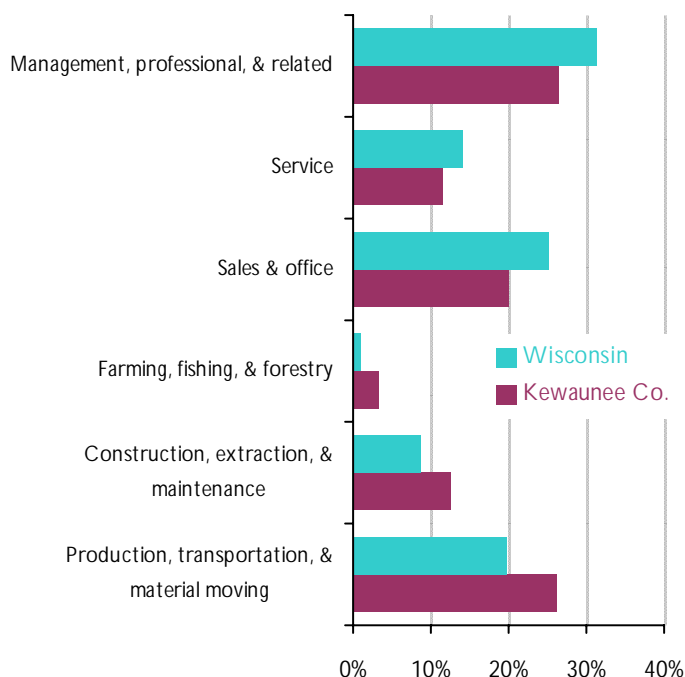
Occupation and Education Characteristics of County Population

Two additional characteristics of the county's population that have a significant bearing on the nature of the county's economy, and, similarly, its workforce are the distribution of the county's workforce by various occupational groupings and the educational attainment of the population.

According to data collected in Census 2000, a number of occupational groupings exhibit distributions significantly different than the state distribution, as illustrated in the chart to the right. The traditional focus of the Kewaunee County economy is again restated in the significantly higher percentage of workers employed in production, transportation, and material moving occupations. Similarly, a higher percentage of workers in the county are employed in construction, extraction, and maintenance occupations than in the state. Conversely, a significantly smaller percentage of workers are employed in management, professional, service, sales, and office occupations in the county than in the state. This suggests that, while service-related industries are showing signs of growth in the county, the occupational groupings still lag behind the state distribution.

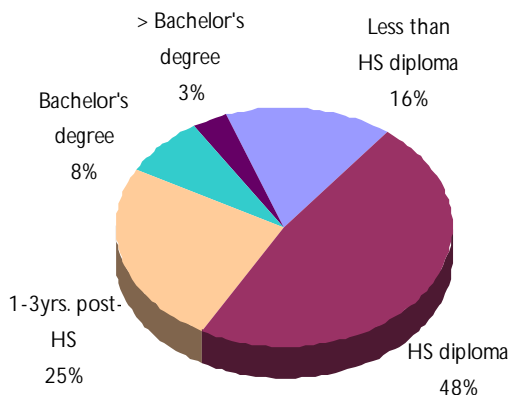
It is important to note here that this occupational distribution does not take industry affiliations into account. As a result, it is difficult to draw conclusions concerning the growth of specific industries.

Employment by Occupation Group: 2000



US Department of Commerce, Census 2000

Education Attainment in 2000

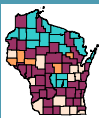


Source: US Dept. of Commerce, Census Bureau, *Census 2000*

sions concerning the growth of specific industries.

A final aspect of the population that bears a significant impact on the county's workforce is the educational attainment of the population, which is illustrated in this distribution for the county population aged 25 and older. In 2000, nearly half of the county's population reported the earning of a high school diploma as their highest level of completed education. Similarly, a quarter of the population reported completing between one and three years of postsecondary education. A far lesser share of the population reported earning a bachelor's degree or higher.

This distribution suggests an economy that has a significant concentration in traditional industries. An interesting distinction needs to be made at this point. It is important to note that this distribution does not include a distinction for those completing an associate's or vocational degree, as completion of many of the programs offered by the number of technical colleges in the area do not award degrees.



County Income Information

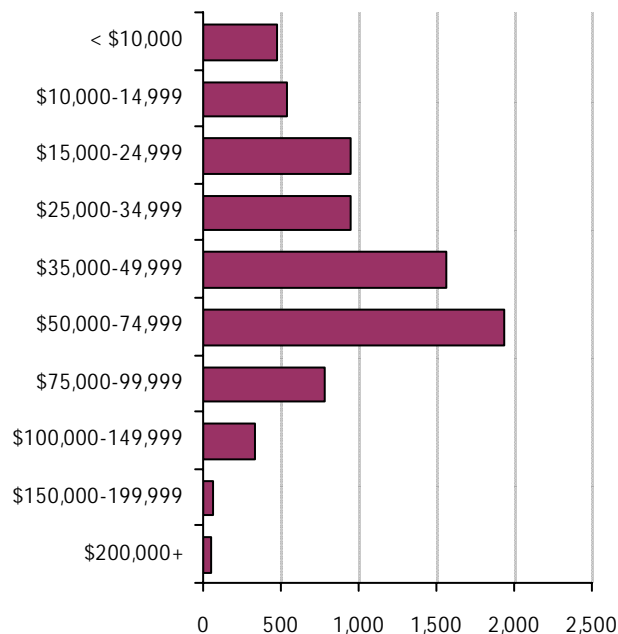
A final characteristic of the Kewaunee County economy and population that warrants detailed analysis is the level of income present in the economy. This can be measured by a variety of means. The most popular method of measuring the income level or level of wealth in the county is through the calculation of the median household income.

In 2000, the median household income of Kewaunee County was \$43,824. This is slightly higher than the state median of \$43,791. Given the disparity between average wages paid in the county and state, this result may be somewhat surprising. However, it can be assumed that the high household income level in the county can be attributed to a high number of dual-income households in the county.

While the median income levels of both Kewaunee County and the state in 2000 were relatively similar, the growth of this measure over the course of the past decade shows that the county has the potential for significant future income growth. Between 1990 and 2000, the median household income of Kewaunee County grew by 62.8%, while the state median increased by just 48.7%.

A second measure of income present in the county can be taken by the number of individuals and families living in poverty in the county. In 1999, 4.4% of

Households by Income Range
Median household income in Kewaunee Co. \$43,824

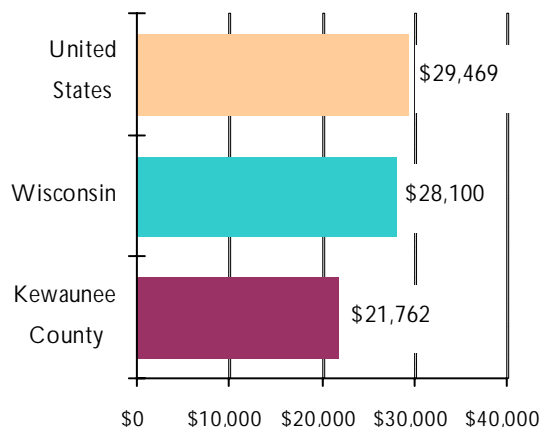


Source: US Dept. of Commerce, Census Bureau, *Census 2000*

families, 5.8% of individuals, and 14.3% of single mother families lived in poverty.

A final measure of income commonly used is the per capita personal income, which accounts for income sources other than wealth. In 2000, the PCPI of Kewaunee County was \$21,762.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

